

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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:
BRANDON NELSON, :
:
Plaintiff(s), :
: 21-CV-777 (JMF)
-v- :
:
ROBINHOOD FINANCIAL LLC, et al., :
:
Defendants. :
:
-----X

JESSE M. FURMAN, United States District Judge:

Plaintiff brings this putative class action against Defendants Robinhood Financial LLC, Robinhood Securities, LLC, and Robinhood Markets, Inc. invoking the Court's subject matter jurisdiction pursuant to 28 U.S.C. § 1332(d)(2), which provides for jurisdiction over "any civil action in which the matter in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs, and is a class action in which

- (A) any member of a class of plaintiffs is a citizen of a State different from any defendant;
- (B) any member of a class of plaintiffs is a foreign state or a citizen or subject of a foreign state and any defendant is a citizen of a State; or
- (C) any member of a class of plaintiffs is a citizen of a State and any defendant is a foreign state or a citizen or subject of a foreign state.

28 U.S.C. 1332(d)(2). Plaintiff seeks to certify a class of "[a]ll Robinhood customers within the United States" excluding "the Robinhood entities and their current employees, counsel for either party, as well as the Court and its personnel presiding over this action." *See* ECF No. 3 ("Compl."), ¶¶ 26, 28. Plaintiff alleges that Robinhood Financial LLC, Robinhood Securities,

LLC, and Robinhood Markets, Inc. — despite their names — are all Delaware corporations, with principal places of business in either Florida or California. *See id.* ¶¶ 4-6.

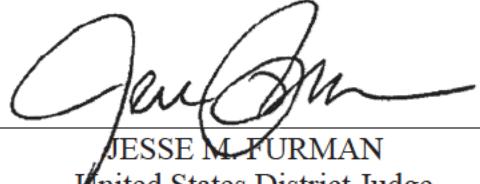
It is well established that a limited liability company (“LLC”) is deemed to be a citizen of each state of which its members are citizens. *See, e.g., Handelsman v. Bedford Vill. Assocs. L.P.*, 213 F.3d 48, 51-52 (2d Cir. 2000); *see also Altissima Ltd. v. One Niagara LLC*, No. 08-CV-756S(M), 2010 WL 3504798, at *2 (W.D.N.Y. Sept. 2, 2010) (noting that every other Court of Appeals to have considered LLC citizenship has held that an LLC has the citizenship of all of its members). Thus, a complaint premised upon diversity of citizenship must allege the citizenship of natural persons who are members of an LLC and the place of incorporation and principal place of business of any corporate entities that are members of the LLC (including the citizenship of any members of the LLC that are themselves LLCs). *See Handelsman*, 213 F.3d at 51-52; *see also, e.g., In re Bank of Am. Corp. Sec., Derivatives, and ERISA Litig.*, 757 F. Supp. 2d 260, 334 n.17 (S.D.N.Y. 2010).

Although Plaintiff alleges that the named Defendants are “corporations” (and would properly plead their citizenship if they are, in fact, corporations), it seems apparent that Defendants Robinhood Financial LLC and Robinhood Securities, LLC are actually LLCs.

Accordingly, it is hereby ORDERED that, on or before **February 24, 2021**, Plaintiff shall amend his Complaint to allege the citizenship of each constituent person or entity comprising the Defendant LLCs. (If Plaintiff determines that all Defendants are, in fact, corporations, notwithstanding their names, it shall file a letter to that effect by no later than the same date.)

SO ORDERED.

Dated: February 10, 2021
New York, New York


JESSE M. FURMAN
United States District Judge